

To: Chief Administrative Officer **Date:** April 7, 2025
From: Rob Publow, Manager of Planning
Subject: **Amendments to Zoning Bylaw 5949-2020 to Add Short-Term Rental Requirements that Align with Provincial Legislation**

Recommendation(s)

1. That Zoning Amending Bylaw 6341-2025-5949(181) be granted first and second readings; and,
2. That a Public Hearing be scheduled for a date to be determined.

Purpose

To implement amendments to the Zoning Bylaw to remove the bed and breakfast regulations in their entirety and replace them with Short-Term Rental (STR) regulations consistent with those set by the Province. Additional housekeeping amendments to the Bylaw are also proposed.

Background

In 2023, the Provincial government created the *Short-Term Rental Accommodations Act* (Act) which was designed to regulate STRs to help return STR units into homes for people due to the shortage of housing. The purpose of the Act is to also provide local governments with stronger tools to enforce STR requirements.

In 2024, additional regulations were added to the Act which include specific regulations about which dwelling units can be STRs and that STRs must have a valid business licence.

On March 3, 2025, a report was brought to Council for information and input regarding updates to the Zoning Bylaw to replace Bed and Breakfast regulations with STR regulations and incorporate the Provincial regulations. Of the options provided, Council selected to incorporate the Provincial regulations as they are, with little to no incorporation of the existing bed and breakfast regulations in the Zoning Bylaw.

Proposed Amendments

New Definition

To facilitate the updates to the bed and breakfast regulations while also aligning them with the provincial legislation, a new definition is proposed:

Short-Term Rental

Means a business operated as a **Home Occupation** to provide the temporary sleeping accommodations for guests for a prescribed charge, where the maximum length of stay for any guest is less than 90 consecutive days. Also has the same meaning as the term “short-term rental accommodation service” within the *Short-Term Rental Accommodations Act*.

The new definition will replace the existing Bed and Breakfast definition. It adapts the Province's definition for consistency while still referencing the Act and its definition.

Removing Bed and Breakfast

Bed and Breakfast would be removed in its entirety from the Zoning Bylaw, as it will be replaced with STR regulations that are consistent with the Provincial regulations and requirements.

Current licence holders of bed and breakfasts are not required to make any changes. Their licence is valid and will be re-categorized to short-term rental when renewed. These licence holders will no longer be required to provide morning meals, and now guests can stay up to 90 days instead of 30 days. Licence holders may also choose to operate in their secondary suite or detached dwelling unit, as well as their primary dwelling, if applicable.

Adding Short-Term Rental Regulations

The Province requires a permanent resident to live on the property where a STR operation is being conducted. The host (permanent resident) may operate the STR within their own dwelling unit and/or within their secondary suite or secondary detached unit if they wish, if available. This means that the Province permits STRs to operate within all dwelling unit types, provided the host lives in the unit or on the property in the case of secondary dwelling units.

With this amendment, STRs would be permitted in all zones that permit a house, duplex, triplex, fourplex, infill townhouse, townhouse, apartment, manufactured home, coach house, or garden cottage, subject to conditions. The conditions include limiting the STRs to the Provincial regulations mentioned above.

The following are examples of possible STR operation situations under these proposed bylaw amendments:

Example A: Single Family Dwelling Unit with a Coach House on one Lot

Person A owns and lives on a residential lot with a house that they live in and a coach house that they rent out. They want to operate a STR. They are permitted:

1. to operate a STR using a portion of their dwelling unit (house) that they live in; and,
2. to operate a STR using the coach house dwelling unit.

In this example, they are using their full allowance and operating two STRs on their property. They may also only operate one STR.

This example would function similarly if the host would like to operate a STR within the secondary suite instead of a coach house. However, if it was a house with a secondary suite and a coach house, Person A would not be able to operate a STR from the suite and coach house, it would have to be one STR with the host in their primary dwelling unit and one STR in either the secondary suite or the coach house – not both.

Example B: Townhouse

Person B owns and lives in a townhouse within a strata complex that permits the operation of a STR. They want to operate a STR. They are permitted:

1. to operate a STR using a portion of their dwelling unit (townhouse) that they live in.

In this example, they are only permitted to operate a STR by renting out their own space, as secondary dwelling units are not permitted. The owner must live within the townhouse to operate a STR. This may be in the form of a spare bedroom within the townhouse.

This example also applies to a house, duplex, triplex, fourplex, infill townhouse, townhouse, apartment, or manufactured home if a secondary dwelling unit is not permitted nor available.

Example C: Commercial Unit with a Residential Unit Above

Person C operates a business in a commercial property and occupies the dwelling unit above the commercial unit. They want to operate a STR. They are permitted:

1. to operate a STR using a portion of their dwelling unit (apartment) that they live in.

In this example, they are only permitted to operate a STR by renting out their own space. The host must live within the unit to operate a STR.

This example also applies to industrial and institutional zones that permit a residential component as a part of the accessory use allowances. Not all industrial or institutional zones permit residential uses.

The complete list of amendments is provided in **Attachment A**.

Licensing, Inspections, and Enforcement

As instructed by Council at the regular Council meeting held on March 3, 2025, staff will not be inspecting STRs as part of the business licence application process. Part of the STR Business Licence application will include a signed declaration to ensure the host understands the associated regulations and liability. Staff have also prepared an information document to provide hosts and guests an overview of the Good Neighbour Bylaw and other resources to ensure the business can exist harmoniously amongst other residential properties and neighbours.

As with all business licence applications, a business licence for a STR operation will include a check to ensure zoning compliance. Final occupancy may also be verified. Should there be a discrepancy or a question raised through this process, the applicant will be contacted to seek clarity.

Should the Bylaw Enforcement Division receive complaints from neighbours, the usual bylaw enforcement strategies will continue, aiming for voluntary compliance. Officers will focus on the nature of the complaint, whether it be noise, parking, or otherwise, with the priority being to facilitate resolution of these impacts.

Referrals

Engineering Department: No concerns.

Building Division: No concerns.

Bylaw and Licensing Enforcement Division: Bylaw Enforcement and Business Licensing will develop an operating procedure for the processing of a business licence application. Complaints received about unlicensed businesses or businesses operating outside of their conditions will be investigated and if compliance is not met, staff will work with the Province's STR Compliance and Enforcement Unit (CEU). Licensing will continue to issue licences to applicants should they meet the criteria of the bylaw.

Environmental Services:

No comment.

Financial Implications

At the time of writing this report, a preliminary search on the AirBnB and VRBO websites showed approximately 27 STRs in Mission. Assuming each STR operation continues, they will each require a business licence to meet the provincial requirements, which costs \$148 per year.

Communication

Staff are developing a communication plan to bring awareness to these changes and to assist existing STR hosts and those interested in being STR hosts in making the appropriate applications to ensure municipal and provincial compliance. The communication plan includes a new webpage that will provide all relevant information, links to regulations and bylaws, and contact information for additional inquiries. Additionally, staff are developing a brochure to distribute to residents who visit the office in person.

At the time of writing this report, the Development Liaison Committee (DLC) has not been referred to for comment. Staff seek Council's direction on this matter. Staff can refer the proposed Zoning Bylaw 5949-2020 amendments to the DLC before proceeding to third reading and Public Hearing. Alternatively, staff can move forward without a referral to the DLC.

Report Prepared by: Brandon Gill, Planner I

Reviewed by: Robert Publow, Manager of Planning

Approved for Inclusion: Mike Younie, Chief Administrative Officer

Attachment(s)

Attachment A: Draft Zoning Amending Bylaw